

CANADA AT WAR

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The Cover: In hot action on the Normandy front Canadians feed ammunition to their 5.5—same faithful gun which did deadly work in their battle for Falaise.

CANADA AT WAR is a factual, monthly reference booklet of basic information on Canadian war activities. The material contained in it may be reproduced in whole or part, with or without credit to the Wartime Information Board.

Five Years of War



CANADA'S sixth year of war began on September 10, 1944. The five war years have been periods of accelerating tension and endeavour, of concentrated mobilization of every resource.

Canadians have learned that this war is everybody's war. In the lost blood and broken bodies of Canada's young fighters, in the unstinting toil of its workers, in the co-operation of its people in accepting financial and comfort sacrifice, Canada knows what war is so far as it is possible for any country to know whose

own land has not been molested.

Scarcely a family has been untouched by the absence of members on active service—close to 1,000,000 men and women have entered the forces of their country. Many families have suffered the sorrow of casualties—more than 51,000 to July 31, 20,000 of them dead or presumed dead.

The fifth war year has brought the allies within hailing distance of victory over Nazism. Hitler's very portals are being beleaguered on every side. The long years of trial are bearing fruition.

With about 11,500,000 people, Canada has become since 1939 the fourth in air power, the third in sea power and the fourth in providing war supplies among the United Nations. From its fertile prairies, rich farm lands and abundant mining stores have come foodstuffs and weapons of war in such quantities that today the Dominion is the third trading nation of the world.

These accomplishments have not been achieved without effort and denial. On the home front controls have been exercised—controls aimed at maintaining an adequate flow and orderly distribution of essential civilian supplies while holding down consumer prices. They have been enforced in the face of increasing war production and dwindling available manpower.

The efforts to prevent inflation have been an important aspect of the war effort. From the beginning of the war to October, 1941—the basic period for Canada's price ceiling—the cost of living rose 14.6 points. Since then to August, 1944, it rose to 18 points, a further advance in nearly three years of only 3.4 points.

Also a part of the general stabilization picture have been

rationing, heavier taxation, war savings, manpower and wage controls, subsidies, allocations and consumer credit regulations.

Finance

Canada's war expenditures since 1939, including the estimates for the fiscal year 1943-44 and the budget forecast for 1944-45, total more than \$15,000,000,000, an average of more than \$1,300 for every Canadian. The total war expenditures for the five fiscal years ended March 31, 1944, were \$10,559,000,000, and the ratio of revenues to these war expenditures was:

All income taxes	38.2%
All tax revenues	69.5%
Total revenue	76.7%

In the last five years, while the nation's funded debt has increased slightly more than three times, the share of the debt payable outside Canada has fallen from 26% to scarcely more than 3%. The wartime borrowing has been distributed so widely that the interest on the public debt is paid to probably not less than 60% of the income-earners of the country.

Cash sales to individuals in Canada's eighth public bond

issue of the war were nearly five times as great as in the first war loan of January, 1940. Sales to individuals have been as follows:

	AMOUNT IN MILLIONS
WAR—	
First.....	132.0
Second.....	113.0
VICTORY—	
First.....	279.5
Second.....	335.6
Third.....	374.6
Fourth.....	529.5
Fifth.....	599.7
Sixth.....	643.7

The number of subscriptions have multiplied almost 17-fold from 178,363 in the first war loan to 3,077,123 in the sixth Victory loan.

In addition to attaining new records in the number of applications received and the dollar amount of bond sales made to individuals, the sixth Victory loan was also the greatest in the total amount of bonds sold, \$1,407,576,650.

War Production

The story of Canada's war production has been one of surprising proportions, and the fighting services of all the United nations have praised Canadian-made equipment. The dollar value of Canadian production of war stores, exclusive of food sup-

plies and metals, but including the value of deliveries on orders placed abroad, defence construction and government-financed plant expansion, has exceeded \$8,000,000,000. The value of war production alone—production of aircraft, vehicles, vessels, chemicals, explosives, guns, small arms, ammunition, instruments, signals and miscellaneous military stores—is more than \$6,000,000,000.

Responsible for this production was an "army" of more than 1,000,000 men and women of Canada's industrial front, the workers who made it possible to convert and expand their country's industrial capacity from the relatively simple needs of peace to the specialized and ever-changing demands of war. By their effort the nation learned its own strength while serving its own freedom.

Coupled with the tremendous growth in war manufacturing has been Canada's achievement in mining and metallurgy. The nation ranks first as an exporter of base metals, and the last two years have been its greatest in this vital field. The estimated value of metal and mineral production in 1943 was \$524,426,850 or \$44.40 per capita.

In terms of the allied war effort and excluding production by Soviet Russia, Canada contributes these percentages of the combined output of the United Nations:

Nickel.....	94%
Asbestos.....	75%
Aluminum.....	32%
Zinc.....	20%
Lead.....	17%
Copper.....	10%

Agriculture

Despite a 23% decline of manpower on Canadian farms because of enlistments into the armed forces and war industries, Canada's agricultural output has increased by 50% during the war. Demands have been made on the nation's food production by the needs of the armed forces and ships' stores, increased domestic consumption, shipments to the United Kingdom and other countries, prisoners of war parcels and international relief.

Especially has the production of livestock and livestock products, particularly of hogs, expanded during the war years to meet these war demands. The commercial marketings of hogs alone increased from 3,700,000 head in 1939 to 7,150,000 head in 1943 and will be close to 10,000,000 head in 1944. A good deal of this increase has been in the Prairie Provinces. In Saskatchewan, once the most specialized wheat province, the cash income from the sale of livestock increased from \$17,238,000 in 1939 to \$78,658,000 in 1943. Similarly the cash income from the sale of dairy products in this province increased from \$6,113,000 in 1939 to \$20,114,000 in 1943.

The estimated cash income from the sale of all Canadian farm products increased 93% from \$722,300,000 in 1939 to \$1,397,300,000 in 1943 as follows:

	1939	1943
Field crops and fruits.....	\$332,500,000	\$501,400,000
Livestock.....	185,300,000	449,700,000
Poultry and eggs.....	52,200,000	124,300,000
Dairy products.....	113,800,000	249,000,000
Other sources.....	38,500,000	72,900,000

Mutual Aid

Canada has been one of the few nations with an exportable surplus of munitions of war—

equipment, raw materials and foodstuffs. Each United Nation pays for as much as it can, and the remainder required is de-

livered under Mutual Aid, which is Canada's method of sending such supplies where they are most needed. The arrangement is based on a realization that the provision of materials to the common cause is no less vital and no less a duty than the provision of fighting men. The supplies are distributed on the basis of strategic need.

The Mutual Aid Act was passed on May 20, 1943, when Canada had been at war for more than 3½ years and had already extended financial aid in excess of \$2,700,000,000 to the United Kingdom and its allies to purchase Canadian supplies.

The act provided for the distribution of war supplies to the United Nations to the value of \$1,000,000,000. Up to March 31, 1944, total Mutual Aid expenditures amounted to \$912,603,220. The appropriation for Mutual Aid for the fiscal year ending March 31, 1945, is \$800,000,000, which includes Canada's contribution to the United Nations Relief and Rehabilitation Administration, fixed at \$77,000,000.

Under Mutual Aid Canada gives no money or credit to other countries. Aid is in terms of Canadian goods and services, but only those goods and ser-

vices which Canada decides it can and should supply. The actual money voted the Mutual Aid Board by Parliament each year goes to Canadians for their services and products.

Trade

With all Canada's resources geared to peak production, its domestic exports have pyramided during the war years. Excluding gold, they amounted to more than \$2,971,700,000 in 1943, highest value in history.

During the first seven months of 1944 they were \$2,024,980,000, compared with \$1,581,408,000 in the corresponding period of 1943, an increase of 28%.

In this same period the total value of Canada's external trade, including both exports and imports, was \$3,063,480,000, exclusive of gold. This total was higher than in any other similar period and was only slightly below the aggregate for the calendar year 1941.

At least 80% of the current exports comprise material used directly in the prosecution of the war. Thus only 20% is normal and non-war trade, but it is on such non-war exports that much of the nation's post-war trade will be founded.

With the United Kingdom and the United States its biggest customers, here is how Canada's exports have increased during the war years:

1939.....	\$ 924,926,000
1940.....	1,178,954,000
1941.....	1,621,003,000
1942.....	2,363,773,000
1943.....	2,971,475,000
1944 (seven months)	2,024,980,000

Navy

In war time the merchant ships that carry these supplies need protection, and in the early days of expansion it was the first aim of the Royal Canadian Navy to be a wholly protective force. In recent months, however, Canada's navy has expanded further into a balanced fighting force with heavy offensive power. Under the impetus of war it has mushroomed from 15 ships in 1939 to more than 700 now—about 350 of them fighting ships, and the remainder smaller craft.

In September, 1939, there were only two naval bases in Canada, one at Halifax and the other at Esquimalt, British Columbia. These two have been greatly expanded and in addition 11 new bases have been developed on the east and west coasts and in Newfoundland.

Personnel have increased from 1,700 at the outbreak of war to

more than 90,000, including 5,000 members of the Women's Royal Canadian Naval Service. In 1943 alone, 27,000 persons were added. About 40% of the men of the R.C.N. are serving at sea, and a large number of those on shore have had sea service.

The original function of the Canadian navy was that of safeguarding the lifeline of the United Nations between Canada and the United Kingdom. In the earlier days of the war German U-boats were sinking allied merchant shipping on the north Atlantic convoy route at an average rate of 1,000,000 tons each month. Canada's share in this escort work was placed as high as 48%. During the summer of 1944 R.C.N. ships provided 100% of close escort for all North America—United Kingdom trade convoys. Recently the largest convoy of the war, more than 1,000,000 tons of cargo arrived at United Kingdom ports from North America provided entirely with close escort by the R.C.N. and air coverage by the R.C.A.F. and the R.A.F.

Also during the summer R.C.N. vessels made up approximately 30% of all support force units in the north Atlantic. It is ex-

An
R.C.N. officer
on the after
gun deck of
H.M.C.S. *Iroquois*,
one of Canada's
powerful
Tribal class
destroyers.

pected that they
will continue to
be responsible
for the major
burden in this
theatre for con-
siderable time
to come. The
Canadian navy
has sunk 15 sub-
marines.

Aside from
convoy duties,
Canada's navy
has guarded the
nation's coastlines. Its ships and
men served in many battle the-
atres before the huge invasion
concentration of June, 1944. In
North Africa and Sicily, in the
Caribbean, in the north Pacific
occupation of Kiska, the white
ensign of the Canadian navy has
made its mark.

Before the invasion the R.C.N.
released 16 Bangor class mine-
sweepers to the United Kingdom.



Previously it had been agreed
that Canada would man for in-
vasion operations 30 L.C.I. (L)'s
(landing craft infantry, large)
and 16 motor torpedo boats. To
assist in escorting invasion con-
voys 19 Canadian corvettes were
also sent to the English Chan-
nel. Twelve frigates and 10
escort destroyers of the River
class, comprising Canadian sup-
port forces, were used to cover

invasion forces. Six of Canada's largest and most powerful destroyers took part in pre-invasion and invasion operations—two of the Fleet and four of the Tribal class.

On D-day and in the weeks that followed, the two large Canadian infantry landing ships, H.M.C.S. *Prince Henry* and *Prince David*, carried thousands of Canadian and allied troops to the invasion areas of France. When the invasion of southern France was planned, these two ships were sent to the Mediterranean to take part in landings.

In all, 109 ships, manned by approximately 10,000 officers and men of the Royal Canadian Navy, took part in the invasion of France. The personnel included a beach commando party, officers and ratings of the Canadian navy whose duty it was to regulate traffic and patrol sectors of the invasion beaches. Canada's naval contribution to the invasion, however, was not confined to the D-day period, but has been a continuous one from weeks before the first landing in France until the present. It is still continuing.

A further outstanding job done by the R.C.N. has been the performance of its ships against

enemy surface craft. Occupied almost entirely until recent months with anti-submarine warfare, Canada's navy had little opportunity of proving its effectiveness against enemy surface vessels. In fact, the only two encounters with German surface craft until the spring of 1944 occurred when H.M.C.S. *Prince Robert* captured the German merchant ship *Weser* in September, 1940, and two German vessels scuttled themselves to avoid capture by H.M.C.S. *Prince Henry* in May, 1941.

Since the beginning of the war and up to August 23, 1944, ships of the R.C.N. have, by themselves, captured one ship, sunk 12 ships and caused severe damage to 16 or 17 others, some of which may have sunk or been scuttled after they were no longer under observation.

In addition, Canadian ships were represented in naval forces which sank 23 enemy surface vessels and damaged nine others.

Enemy vessels destroyed by Canadian ships immediately before and since the invasion have included merchant ships, destroyers, mine-sweepers, trawlers, other escort craft, flak ships, U-boats, R-boats, E-boats and other lighter craft. The grand

total of ships sunk or damaged in actions in which ships of the Canadian navy participated is 60 or more.

Army

The superbly trained and equipped army which represents Canada on the battlefronts today is the result of the wartime expansion of a small pre-war permanent force of 4,500 men. All Canadian units overseas are now in action in Italy or western Europe.

The present army strength of more than 460,000 men compares with the maximum World War I strength of 389,639 reached in July, 1918. In addition in this war there are more than 15,000 women in the Canadian Women's Army Corps.

The first contingent of the First Canadian Division landed in the United Kingdom on December 17, 1939, three months and seven days after Canada declared war. Since then the troops overseas have been reinforced and intensively trained for the big invasion offensive and for additional garrison of Britain's threatened shores.

Before French resistance collapsed in 1940 Canadian troops actually had landed in France

ready for battle, but they were recalled without going into action. After the evacuation of the British forces from Dunkirk in early June, 1940, the Canadians were among the few adequately equipped troops left in the United Kingdom to meet a possible enemy invasion.

In the months that followed various Canadian detachments took part in raids on the European coast and on September 9, 1941, on Spitzbergen, the largest raid of this nature.

Later that year on the other side of the world nearly 2,000 Canadians were engaged in the fighting at Hong Kong, where all were killed or taken prisoner when that fortress fell on December 25, 1941.

Canadian forces formed five-sixths of the United Nations troops in a raid on Dieppe on August 19, 1942, and more than 3,350 Canadians were killed, wounded or taken prisoner. The lessons learned at Dieppe proved to be of value in later successful invasion landings.

On July 10, 1943, the invasion of Sicily brought to an end for the Canadian Army the more than three years of watchful waiting in the United Kingdom and long preparations for attack.



Symbolic of this
mechanized
war,
an endless
procession of
camouflaged
Canadian tanks
and gun carriers
move through
the narrow
streets
and sidewalks
of a captured
French town.

The Canadian First Division took part in some of the heaviest fighting of the allied 39-day campaign which resulted in enemy retreat to the Italian mainland.

On September 3, 1943, Italy was invaded. The Canadian First Division was still with the British Eighth Army as in Sicily, but in November a further large contingent of Canadian troops arrived to engage in the heavy fighting. Subsequently Canadian

units in Italy operated as a corps under Canadian command. First Division warriors took part in the Adriatic fighting which ended in the capture of Ortona in December.

On May 24, 1944, it was disclosed that in the new 1944 offensive the corps in Italy was fighting for the first time at full strength and that Canadians had driven the crucial wedge through the Hitler line. Thus they opened the Liri and Sacco

Valley route to Rome for other units of the Eighth Army. Since then Canadians, fighting alongside allies of at least nine other nationalities, have forced the Germans mile by mile up the long Italian boot and broken through the Gothic line near the Adriatic coast towards Rimini and north of Pesaro.

The long-awaited D-day saw Canadians in the vanguard of the allied forces in Normandy. The Canadian Third Division was made up of 14 battalions representing seven of Canada's nine provinces. They covered the beaches speedily and pushed inland to fulfil every assignment as planned. Pushing past Bayeux, the first town captured by the allies, they cut off the highway leading to Caen.

The division consolidated its position around Caen, and later when a new offensive was launched in that area Canadian artillery supported British infantry in their drive past the city. Throughout July Canadians with the British in the Caen district fought through tough resistance in steady ground-fighting and hedge-to-hedge techniques. More spectacular action came with the

drive on Carpiquet which preceded the push into Caen. Here were encountered some of Hitler's prize youth formations, but the Canadians, supported superbly by allied artillery from the sea and air, took this important village and its more important airfield.

From here the strategic position of Caen, with its main communications lines leading to Paris itself, was the next objective. In joint action with the British, Canadian forces entered the city after two days of constant struggle. Units of the Canadian Second Division which had fought at Dieppe took part in the Caen action.

Ten days after the capture of Caen Canadians and British staged a new breakthrough and pushed on to the Orne river. By constant slugging they held their main positions and thus enabled United States forces to break through from St. Lo to Coutances and cut off the Nazis in the Cherbourg peninsula.

The August drive from Caen to Falaise was the first battle action for the First Canadian Army. Here the Canadian Second and Third Infantry Divisions and Fourth Armored Division were in battle together for

the first time. (See "Canadian Forces in Action," page 39.)

By the end of August the coast of southern France had been invaded by the allies. Paris was free again, and the soil of Germany was within easy reach.

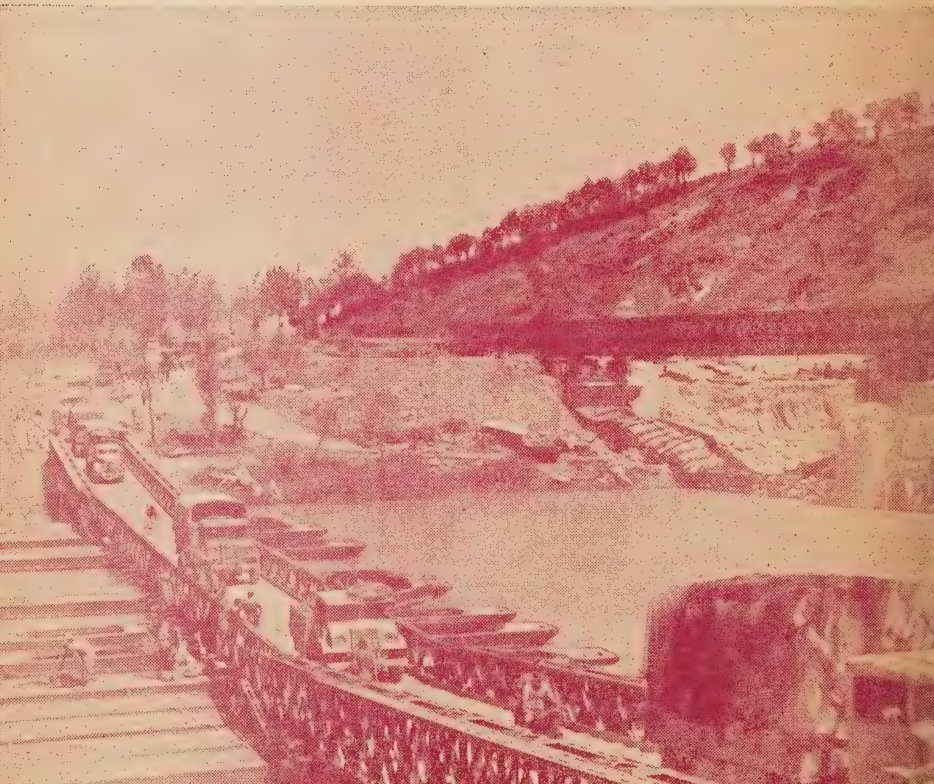
Air Force

One of the greatest single war contributions by Canada has been the training of more than 100,000 air crew personnel. The broad fields and clear skies of

Canada became production lines for the skilled young fliers who have had a decisive role in reducing the mighty Luftwaffe to crippled desintegration.

Set up in December, 1939, the huge British Commonwealth Air Training Plan was conceived by the planners of allied war strategy with the sole object of obtaining and maintaining air supremacy over the enemy. Under the administration of the Royal Canadian Air Force, training

Off to a new airfield, an R.C.A.F. convoy crosses a Bailey pontoon bridge in Italy.



Typical of
a
thousand
across
Canada,
an R.C.A.F.
training
class
lines up
for a
"wings"
parade
at
Trenton,
Ontario.



centres and flying fields sprang up across the Dominion from the Atlantic to the Pacific.

Canadian youth answered the call to high skies in thousands. From a pre-war nucleus of 4,000, the R.C.A.F. now has a strength of more than 204,000—190,000 men and 14,000 women. The R.C.A.F. overseas has a total strength of more than 50,000 officers and men.

Originally there were three Canadian squadrons which went overseas as units. Now there are at least 42 on actual operations. Nearly all their air crew are Canadian, commanding officers are Canadian, ground crew are Canadian and the entire cost is borne by Canadians. These units

include bomber, fighter, reconnaissance, coastal command, night fighter and intruder squadrons. In addition, for each air crew member of the R.C.A.F. in a Canadian squadron there are 10 others serving throughout the Royal Air Force.

The first R.C.A.F. unit sent overseas was an army co-operation unit which reached England in February, 1940. A fighter squadron arrived the next June, and these fliers helped turn the course of the war in the victorious Battle of Britain.

As the course of war changed from allied defensive to offensive and the death-dealing armadas over Germany and German-held territories grew larger,

the R.C.A.F. became a tremendous hitting power. On January 1, 1943, the R.C.A.F. bomber group was formed, and the names of Cologne, Essen, Frankfurt, Dresden, Leipzig became as familiar to Canadians as the names of their own cities. Thousands of tons of bombs dropped by Canadians aided in the "softening up" process which later made successful invasion possible.

In other parts of the globe—in North Africa, Malta, Sicily, over the beachheads of Anzio and Cassino in Italy, in the heat of Burma, Ceylon, India, in the cold of Kiska in the Aleutians—members of the R.C.A.F. have acquitted themselves honorably.

In the unrelenting hunt for submarines and in the protection of troops and supplies on the Atlantic the story has been equally successful. Since the U-boat attack by the R.C.A.F. in October, 1941, until the end of 1943, there were 63 attacks on enemy submarines. One anti-submarine patrol was detached from the east coast to operate from a base in Iceland to round out Atlantic coverage. Squadrons patrolled the Pacific sea lanes as well, and fighters were poised for air attacks.

The role filled by the R.C.A.F. in the prelude to the invasion of western Europe was a large one. In the first five months of 1944 the Canadian group alone sent 19,000 tons of destruction down on enemy territory. In May, the high pressure pre-invasion month, it dropped 6,000 tons of explosives, incendiaries and mines on enemy targets.

During these tense days Canadian ground crews worked at top speed to have every possible aircraft available for H-hour. As a result every squadron in the R.C.A.F. bomber group was represented in the massive air fleet that attacked the invasion coast, together with hundreds of fighter craft. The largest force of Canadian heavy bombers ever to take the air attacked France in invasion support.

Between dusk of June 5 and dawn of June 7 the Lancasters and Halifaxes of this group flew 478 sorties. They attacked five targets and blasted rail points, troop concentrations and other objectives close to invasion line.

Between midnight and dawn on D-day the R.C.A.F. dropped 1,000 tons of bombs. Twelve R.C.A.F. fighter squadrons formed part of the air protection for the initial operations.

Between invasion day and the end of June the R.C.A.F. destroyed more than 80 enemy aircraft, one destroyer and several E-boats. Devastating attacks were made on the German transportation system, airfields, shipping, cities and robot bomb bases.

By the second week of invasion a Canadian Spitfire wing was operating from a full-fledged airfield in Normandy, and a complete mobile R.C.A.F. airfield unit had been moved across the English Channel.

During the record month of June the R.C.A.F. group made 3,000 sorties to drop 10,000 tons of explosives—almost as great a

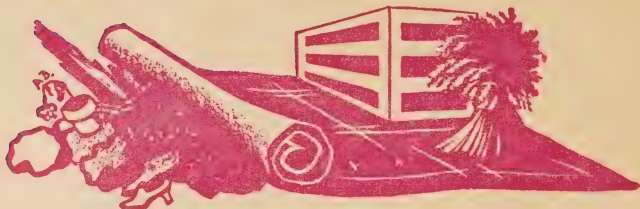
tonnage as was dropped during the whole of 1943 by the R.C.A.F. In the first stage of the British and Canadian thrust past Caen, every R.C.A.F. squadron was represented. More than 1,000 Canadian fliers were with the bomber group that hit Hamburg on the night of July 28.

In every encounter—at sea, on land or in the air—Canadian fighting men have proven their toughness, their stamina and their courage. The heat and burden of battle have been their spur. In the hour of approaching victory Canada holds a proud head for the perseverance and tenacity of its warrior sons.

Ready to
loose
death
over
Germany
these young
R.C.A.F.
fliers typify
the
thousands
who have
risked
and even lost
their lives
for
freedom's
cause.



UNRRA



"... the supply of food will, for the underfed and starving peoples of the world, be the real test of liberation."

RT. HON. W. L. MACKENZIE KING,
Prime Minister of Canada

SOON the first of the United Nations organizations will go into action. The United Nations Relief and Rehabilitation Administration, which in the autumn of 1943 was no more than a blueprint on the draughting boards of allied diplomats, has now taken shape and is ready for the work it was patterned to do.

Reduced even to the most fundamental of necessities, war relief is still a tremendous job. It was with a realization of this fact that the scope of the work to be undertaken by UNRRA was outlined at the organizational meeting at Atlantic City, New Jersey, in November, 1943.

The Problem

UNRRA officials estimate that there are about 130,000,000 Europeans who will require relief, in the Far East there are about 230,000,000 Chinese under Japanese domination.

In Europe it is believed that only about 50% of the pre-war pig population, from 50% to 75% of the cattle and 75% to 85% of the horses have survived the war. Fertility of the soil on the European continent has been reduced by a program of intensive cultivation. The Nazi course in regard to food has been to keep Germans well fed and to feed the others the minimum

amount consonant with the work expected of them. The Far Eastern situation is perhaps even worse. Before the war China consumed about 176,000,000 tons of food annually. The war has caused an annual deficit of about 4,000,000 or 5,000,000 tons.

In view of the size of the job to be done, UNRRA relief will be limited to the prevention of starvation in war devastated countries, to supplying such clothing, medical facilities and other articles as are necessary to prevent the death of war sufferers.

Rehabilitation as viewed by UNRRA planners is really only another phase of relief. UNRRA rehabilitation measures will be aimed at making relief recipients self-supporting. Chief object of UNRRA's rehabilitation plans is to make relief unnecessary.

If UNRRA finds that it can accomplish more than this with the funds and the supplies at its disposal, it will undoubtedly do so, but UNRRA definitely is not intended to raise living standards in any country above pre-war; nor is it intended to be an instrument for remedying world unemployment.

Military Necessity

UNRRA is necessary. The agreement signed by the 44 United and Associated Nations which are members of UNRRA stipulates that activities of the administration must not be allowed to interfere with the prosecution of the war; but further than that, military reasons alone dictate that some sort of relief organization should be set up. Primary considerations in modern war are communications, transport and supply lines. An army cannot operate at maximum efficiency in a territory where public utilities are in disrepair, where the civil population is starving. Undernourishment breeds disease, which is no respecter of a uniform and will spread from civilians to the army if proper checks are not imposed.

Much immediate civilian relief in liberated areas will need to be provided by the army. For this purpose, the civil affairs branch of the army—Allied Military Government—was set up. This branch has gathered experience and proved its worth in the North Africa - Sicily - Italy campaign. Civil affairs officers were with the allied armies liberating Europe from the west.

It is no part of the army's duty, however, to continue relief work once the immediate military necessity has passed. The army moves on, and the civil affairs officers are needed elsewhere, but the need for relief continues. This is where UNRRA steps in.

It is estimated that the period during which relief will be administered by the military will be about six months, but during the military period UNRRA officials will work with them, learn the problems to be faced, the best way to handle them.

Distribution Channels

The number of UNRRA workers who will actually go into the field will not be large. Wherever possible the relief organization will try to work through the recognized government. This will avoid the inevitable criticism which results when strangers

come into a country and take over essential phases of the national economy.

When normal channels for distribution of supplies are not too badly damaged, UNRRA will use them for sending relief into a country. By using the wholesale houses, retailers and other media of distribution, the return to normal will be brought about much more quickly than if UNRRA were to use soup kitchen methods in distributing relief supplies.

For the time when soup kitchen methods may be necessary, however, UNRRA has organized field missions, ranging in size from 100 to 250 to go into devastated countries and undertake the actual distribution of relief. These UNRRA workers are chosen for their skill, efficiency, knowledge of different countries and ability to adjust themselves to unusual situa-



UNRRA must open roads and repair public utilities. Here Canadian soldiers clear a street in Italy.



Caught in war's backwash, refugees return to devastated Canadian-won Falaise.

tions. Many Canadians have taken positions with UNRRA.

War Migrations

Although the biggest problem facing UNRRA is probably the procurement and distribution of food and clothing in countries devastated by war, there will be other problems scarcely less pressing. One which will arise immediately on the halt of hostilities is how to handle the throngs of people returning to the homes from which they have been driven by war. The number of these people in Europe is variously estimated at from

20,000,000 to 30,000,000. Probably 8,000,000 have been taken to Germany alone as slave labour. As soon as the battle stops, these people will want to return home. If they are not properly looked after and their movement controlled as they go, epidemics are likely to break out, and many may perish on the way. It will be the greatest mass migration in history, and the allies must be ready for it. This is another job for UNRRA.

Another problem will be the prevention of disease among the civilian population of liberated

countries. Weakened by undernourishment, lack of clothing and fuel, these people will be easy prey to epidemics. New diseases have been brought to Europe by German soldiers who fought in Africa. UNRRA must be ready to meet these conditions, or dread consequences may result.

Finance

The total pool of UNRRA financial resources will be about \$2,500,000,000. This will be made up by a contribution from each of the nations which have not been occupied by the enemy. Those countries which have been occupied will not be expected to contribute to the main fund. Contributions will be made on the basis of 1% of the contributing country's national income for the year ending June 30, 1943.

Largest contribution on this basis will be made by the United States, which will pay about \$1,350,000,000. The United Kingdom contribution is \$80,000,000 (roughly \$352,000,000); the Canadian \$77,000,000.

Since goods will be purchased from the contributing countries, only 10% of the country's contribution need be in a form nego-

tiable outside the country. The other 90% may be in the form of a credit available for the purchase of the contributing country's goods and services.

Because of the demands of the war on supplies throughout the world, it is obvious that UNRRA will find it necessary to rely more heavily on some countries than others in the provision of supplies. Some UNRRA member countries will not have enough goods to sell to the Administration to make up their quota. Consequently such a country as Canada, with one of the few food surpluses in the world, a foremost producer of some other supplies necessary to relief work, may be asked to provide UNRRA with more goods than can be paid for by the Canadian contribution. These goods will be paid for out of the 10% free currency contributions of other member countries or by the purchases of relief-needing countries who are in a position to pay.

Not all UNRRA relief supplies will be distributed as free gifts. Countries in a position to do so are expected to pay, and already France, the Netherlands and other countries of western Europe have said that they will pay for the relief they receive.

This will not be allowed to affect the distribution of relief. Supplies will be distributed on a strict basis of need, and all orders for relief must be cleared through UNRRA, regardless of ability to pay. This will be especially important in the case of goods in shortage—such items as milk, sugar and certain textiles. The job of UNRRA is to see that these goods are fairly apportioned.

Since most relief supplies will be distributed through the usual channels, considerable local currency will be returned to UNRRA which, while it cannot be spent outside the relief-receiving country, can be used to pay UNRRA's expenses inside that country. Movement of displaced persons inside the country could be paid for in local currency, and any supplies of food surplus not needed for relief work in that country could be bought and used for relief elsewhere.

UNRRA Buys in Canada

Already Canada has made its cash contribution to UNRRA, and orders for relief supplies have been placed in Canada. UNRRA has already spent \$12,000,000 in Canada. One order is for a considerable ton-



UNRRA must fight disease, malnutrition and epidemic with medical science.

nage of agricultural machinery; another is for 20,000,000 pounds of Canadian canned fish. UNRRA wants Canada to supply more than 60,000,000 pounds of soap, substantial quantities of medical supplies.

Canadian mills are now making samples of woollen cloth, and a \$6,000,000 order for woollen clothing of a utilitarian nature will soon be placed in this country. Isolation of civilian textile manufacture facilities in Europe from outside sources of raw wool and cotton, coupled with undernourishment and a

lack of fuel, has made the clothing problem on the continent one of the most urgent. After a survey of the clothing stocks of the Canadian armed forces, a quantity of used service garments, dyed and repaired, has been purchased by UNRRA from the War Assets Corporation. Some repaired Canadian service boots have also been sold to UNRRA for relief purposes.

UNRRA will look to Canada to supply a large part of its needs for wheat. Although Canada dis-

posed of 533,000,000 bushels of wheat during the crop year ended July 31, 1944, the new crop year began with a carry-over of about 355,000,000 bushels. The new crop has been unofficially estimated at about 450,000,000 bushels, which indicates that Canada will be well prepared to handle any relief demands for wheat likely to be made on it during the current crop year.

It is reported that fairly satisfactory relief stock piles of cereals and vitamins are being built up.

Food for Nazi-sucked Europe was problem encountered by Allies long before D-day.



Difficulty is being experienced, however, in procuring sugar, oils and fats, and civil affairs missions in France are finding that butter, margarine and other fats have been almost completely lacking during the Nazi occupation.

UNRRA orders placed in Canada are handled by the UNRRA procurement division of the Canadian Mutual Aid Board. As has been the practice with Mutual Aid goods, all UNRRA supplies from Canada will be marked with the Canadian export insignia—a maple leaf—and the name “Canada”. Obviously some supplies, such as wheat, cannot be so marked.

The “Ifs” and “Buts”

The quantity of relief goods which UNRRA will require cannot be accurately estimated at this stage. Much depends on what time of the year a country is liberated, how swiftly the enemy retreats, the size of crops produced in the year of liberation. If the armies of the enemy were to crumble suddenly and could not stage a long drawn-out retreat, employing their well known efficiency at demolition and ruin, the allies might be able to seize countries in which

agricultural and industrial economics are in good working order. Otherwise the enemy would leave behind him a legacy of broken public utilities, burned food stocks, devastated barns and fields.

If the enemy can be driven from a country before the crops are harvested and shipped away, it will make the problem of supplying relief food much easier. The German method has been to take crops off, ship them into the Reich as soon as possible and leave their subject populations with scarcely enough on which to exist.

Reports of the quantities of relief goods which will be needed in liberated territories have been prepared by various agencies of the allied governments since early in the war. The Inter-Allied Committee on Post-War Requirements, set up in London on September 24, 1941, surveyed the European situation and in June of 1943, presented a report estimating that, excluding Russian needs, 23,485,000 metric tons of relief would have to be shipped into Europe in the first six months after liberation. As new information is received and the military situation develops, these estimates change.

Two regional committees of UNRRA have been set up to advise on requirements in Europe and Asia. The European regional committee is under the chairmanship of Sir Frederick Leith-Ross, formerly chairman of the Inter-Allied Committee on Post-War Requirements. Canada is represented on this committee, which has headquarters in London. The Far Eastern committee now has headquarters in Washington under the chairmanship of the Chinese representative. As soon as military considerations will

allow, its headquarters will be moved to the Far East.

Organization

These UNRRA committees are set up to advise the council, which is the chief governing body. Each of the 44 member nations is represented on the council, which makes all policy decisions and meets at least once every six months. The first meeting was at Atlantic City in November, 1943. The next meeting, which was to have been held in Montreal on June 23, had to be postponed because some delegates were prevented from attending as a result of the travel ban which had to be imposed in the United Kingdom before the invasion of France. This meeting is being held at the Windsor Hotel in Montreal beginning September 15, 1944.

To make emergency decisions between council sessions a central committee of the council on which the United States, United Kingdom, China and Russia are represented, has been set up. All decisions made by the central committee must be confirmed by the council at the earliest possible moment.

To deal with questions of supply, a committee on supplies

Children of war—Italian boy and sister became ragamuffin beggars of the streets.



has been established under the chairmanship of L. B. Pearson, minister in the Canadian Embassy at Washington. Scope of this committee can be judged from its terms of reference, which set out that it will advise the council, the central committee and the director-general of UNRRA on general policy concerning the provision, financing and transport of supplies. The chairman will participate in meetings of the central committee when supply matters are being considered, and he, together with the director-general, will sit in with the combined boards when matters affecting the Administration are being discussed. The chairman of the committee has also been given the authority to appoint a special subcommittee to determine whether a recipient country is in a position to pay for relief extended to it.

The director-general is the chief permanent official of the Administration, and he directs its day-to-day operations. UNRRA headquarters are now in Washington. Canadians are well represented on the UNRRA permanent staff. By an arrangement recently completed with the Administration, the Cana-

dian Civil Service Commission is now receiving applications for a variety of responsible positions overseas. At present the greatest need is for persons qualified to take responsible administrative positions in the field missions. Specialists in distribution, welfare, agricultural and industrial rehabilitation, transport, engineering and accountancy are required. It is expected that UNRRA's intermediate and junior staff for clerical, accounting, office managerial and similar types of work will be recruited in each country as the UNRRA organization in that country develops.

Soldiers Know

Canadian soldiers who have been fighting their way up the Italian peninsula and through the countryside of France know well the destruction that war can accomplish and the need for immediate, adequate relief when the fighting stops. The Canadian Army in France has a job to do—to help end the war and all its frightfulness quickly. UNRRA's job is a continuation of theirs—to end speedily the suffering and damage which war has brought to the countries now being liberated.

Airfields of the North

IN concept and in execution the defence plans for the vital areas of northwestern and northeastern Canada represent one of the most effective examples of co-operation among the United Nations. While the primary purpose of the defence in-

stallations was to close these North American approaches against attack by Germany and Japan, they now have become links in the offensive plans of the allies. Aircraft fly across the northwest to the Pacific theatre of war and across the northeast to Europe.

Previous to August 1, 1944, considerable information had been made known about the defence projects in the northwest (see CANADA AT WAR for February, 1944) but for reasons of security little was revealed about what is called the Northeast Staging Route until that date.



The need for a northeast staging route was originally suggested to Canada by the United Kingdom in August, 1940, with the suggestion that the matter be discussed with the United States. Long-range bombers were already being ferried across

the Atlantic through the Newfoundland airport at Gander, but this airport was congested, and there were no facilities for ferrying short-range bombers or fighters which were beginning to come off United States assembly lines in considerable volume.

The United States investigated the possibilities of establishing airfields in Greenland while Canada proceeded to reconnoitre Labrador. In June, 1941, a site was discovered at Goose Bay, and a preliminary survey was made. A United States Army Air Force party subsequently examined and re-

commended the site. By agreement with the government of Newfoundland construction was begun by Canada almost immediately, and the field was in use before winter closed in.

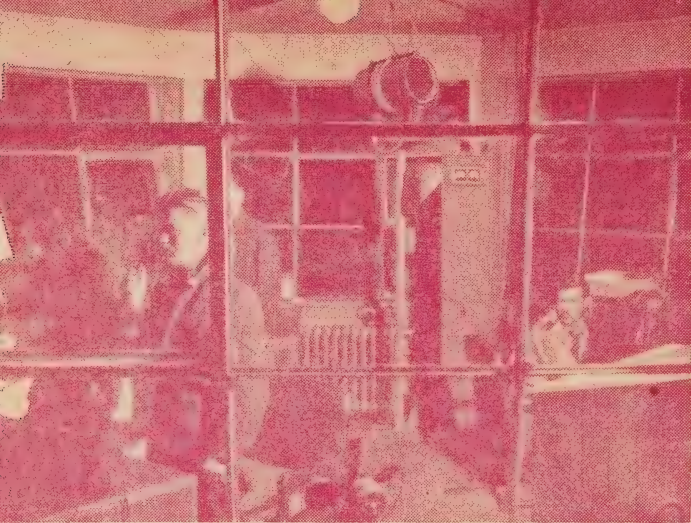
99-Year Lease

It was subsequently agreed by the governments of Newfoundland and of the United Kingdom that Canada should be given a 99-year lease to Goose air base

for defence purposes; that this air base should be available to the Royal Air Force and to the United States Air Forces for the duration of the war and for such time thereafter as the parties might agree to be necessary or advisable in the interests of common defence; that the question of civil air use should remain over for settlement after the war, but that in any event civil and military aircraft owned by the

Built for defence, this airfield at Whitehorse has immense peacetime potentialities.





On the busy
staging route
of
Northwest
Air
Command
control
tower staffs
maintain
24-hour
shifts.

government of Newfoundland should have rights to use the base on terms not less favorable than aircraft owned by the government of Canada.

In the meantime, the United States, by agreement with the Danish minister at Washington, had in April, 1941, assumed responsibility for the defence of Greenland and had begun constructing airfields there which were to be available to other "American nations," which included Canada. Shortly afterwards the United States also made an agreement with Iceland for the defence of that island, and airfields were rapidly constructed there. With the com-

pletion of Goose airfield and the Greenland and Iceland fields, a staging route was available for relatively short-range aircraft.

With the entry of the United States into the war on December 7, 1941, the strain on the existing ferry routes became even heavier. In May, 1942, the United States Army Air Forces proposed to the Canada-United States Permanent Joint Board on Defence the establishment of air routes over northeastern Canada to ferry long, medium and short-range aircraft to Europe. From the factories of the United States Pacific coast aircraft would be ferried across the Canadian prairies to The Pas and Chur-

chill, Manitoba. From this Hudson Bay port planes would fly to Southampton Island, Northwest Territories; Frobisher Bay in Baffin Island, Northwest Territories; Greenland and Iceland and from there to their destination. Planes from another great focal point of United States aircraft production in the mid-west states would fly across Ontario and Quebec to Fort Chimo on Ungava Bay at the northernmost tip of Quebec and from there link up with the other northeast route at Frobisher.

These two channels were to be in addition to the ferry route already established to the United Kingdom by way of Goose Bay, Greenland and Iceland.

Another purpose for the speedy construction of the route was to permit forces from interior points to be rushed to the defence of Greenland and Iceland should the occasion arise.

Construction Urged

On June 9, 1942, the Permanent Joint Board on Defence approved the proposal of the United States Army Air Forces. It recommended immediate construction of the proposed airfields on Canadian territory, either by the Canadian or by

the United States government with the approval of the Canadian government. Facilities of the new routes were to be made available to the Royal Air Force.

For several reasons the Hudson Bay leg of the northeast route has not been used to the extent anticipated, and the original plans were never completely implemented. As the submarine menace was mastered there was a parallel improvement in the shipping situation which permitted the transportation of more aircraft by ship. Increased facilities at Goose air base and at Newfoundland airports permitted a greater flow of aircraft through these fields. Amazing technological advances, which increased the flying range and reliability of aircraft, as well as improved meteorological services, made the route from Goose air base more serviceable for short-range planes. The successful allied landing in North Africa made it possible for aircraft used in this area to be flown over the southern route and thus relieved the pressure on the northern route. As the fortunes of the United Nations rose in the north Atlantic theatre the threat against the northeastern section of this continent diminished.



Northern and Representative
CANADIAN AIR CENTRES

INVOLVED IN CANADA - UNITED STATES EXCHANGE OF NOTES



OTHERS





FROBISHER BAY

SOUTHAMPTON ISLAND

FORT CHIMO

GOOSE BAY

LABRADOR

MINGAN

QUEBEC

ONTARIO

KAPUSKASING

TRONG

FORT WILLIAM

NORTH BAY

TRENTON

CAMP BORDEN

TORONTO

WINDSOR

LONDON

OTTAWA

MONTREAL

QUEBEC

NEW BRUNSWICK

RIMOUSKI

MONCTON

BLISSVILLE

SAINT JOHN

PRINCE EDWARD ISLAND

SYDNEY

CHARLOTTETOWN

HALIFAX

NOVA SCOTIA

YARMOUTH



One of the world's largest and most important air bases is at Goose Bay, Labrador. Here combined air forces of Canada and the United States operate a mighty wartime bomber route. Runways going into the distance are 6,000 feet long.

However, construction of these northeastern bases has completed the interlocking network of more than 300 air fields which now span Canada. About 500 air miles west from The Pas is Edmonton, base for air operations into the Northwest, Alaska, the Aleutians, the Soviet Union and beyond. About 600 miles from both The Pas and Churchill is Fort Smith, an important link in the MacKenzie-Athabaska Route.

Thus from north to south, east to west, continent to continent, ocean to ocean—which ever way planes fly—safe stepping-stones have been provided.

To Reimburse United States

Although the United States

has been responsible for much of the wartime construction in Canada's northwest and northeast, expenditures on permanent works are to be reimbursed by Canada. All the works, whether of a permanent or non-permanent value, are being relinquished to Canada.

Canada's total expenditures on wartime developments in the northeast and northwest alone amount to about \$120,000,000. They include an outlay of \$34,761,643 which Canada is assuming for wartime facilities constructed by Canada on the original understanding that Canada would be reimbursed by the United States, as well as \$76,811,551 in United States

funds which Canada is reimbursing to the United States.

An additional \$13,872,020 in United States funds spent by the United States is not being reimbursed, since it represents war-time expenditures for United States purposes and provides nothing of permanent value, such as temporary barracks.

Details of the expenditures and the existence of the previously undisclosed airfields in northeastern Canada were revealed when Prime Minister King tabled in the House of Commons on August 1, 1944, an exchange of notes between Canada and the United States dated June 23 and 27, 1944. The notes constitute the reimbursement agreement.

Expenditures on the northeastern projects, including that at Goose Bay and another airfield at Mingan, Quebec, near Anticosti Island on the Goose route to Europe, total \$39,494,300 in United States funds by the United States and \$11,240,690 in Canadian funds by Canada. Of the United States' outlay, \$31,631,310 is to be reimbursed by Canada.

These compare with expenditures on projects in the Canadian Northwest totalling \$51,189,271

in United States funds by the United States, \$45,180,241 of which will be reimbursed by Canada, and \$23,520,953 in Canadian funds by Canada. Such projects include the Northwest Staging Route, flight strips along the Alaska Highway and Mackenzie and Athabaska Rivers and a telephone-teletype line from Edmonton, Alberta, to Alaska.

The expenditures by the United States were up to April 24, 1944. By Canada they were those authorized up to March 31, 1944. Considerable construction work remained to be done at that time before the Canadian outlay was fully expended.

Agreement Reached

In explanation of the agreement by which Canada will reimburse the United States for works of a permanent nature constructed in Canada, Prime Minister King said:

"The government had two considerations in mind. In the first place it is believed that, as part of the Canadian contribution to the war, this country should take general responsibility for the provision of facilities in Canada and in Labrador required for the use of Canadian, United Kingdom and United States forces.

"In the second place it was thought that it was undesirable that

any other country should have a financial investment in improvements of permanent value, such as civil aviation facilities, for peace-time use in this country.

"I am happy to say that our views on this subject were understood by the government of the United States, and the agreement which I have tabled is the result of this understanding."

Existing arrangements for the duration of the war for the maintenance, operation and defence of these projects are not disturbed.

Canada will pay to the United States the following amounts for construction by the United States:

	(United States Dollars)
Northwest Staging Route (including contracts not completed at the time of the exchange of notes)...	\$31,311,196
Flight strips along Alaska Highway.....	3,262,687
Flight strips along Mackenzie River.....	1,264,150
Hudson Bay Route....	27,460,330
Airfield at Mingan, Quebec.....	3,627,980
Airfield at Goose Bay, Labrador.....	543,000
Telephone-teletype line from Edmonton to Alaska boundary.....	9,342,208
TOTAL.....	\$76,811,551

Costs incurred by Canada on United States account which Canada will assume are as follows:

(Canadian Dollars)

Northwest Staging Route.....	\$18,359,953
Hudson Bay Route....	1,290,010
Airfield at Goose Bay, Labrador.....	9,950,680
TOTAL.....	\$29,600,643

In addition Canada will pay \$5,161,000 for a projected improvement program on the Northwest Staging Route.

A breakdown of the United States expenditures on flight strips along the Alaska Highway and on the Mackenzie-Athabaska Route follows:

Flight Strips Along Alaska Highway (United States Dollars)

Dawson Creek.....	\$ 428,220
Sikanni Chief.....	599,947
Prophet River.....	422,084
Liard Canyon.....	537,584
Pine Lake.....	287,162
Squanga Lake.....	297,101
Pon Lake.....	471,227
Burwash.....	219,362
	\$3,262,687

Mackenzie-Athabaska Route (United States Dollars)

Waterways.....	\$ 108,754
Embarras.....	59,112
Fort Smith.....	110,230
Resolution.....	65,803
Hay River.....	100,030
Providence.....	111,252
Mills Lake.....	43,075
Fort Simpson.....	162,701
Wrigley.....	93,372
Norman Wells.....	298,075
Canol Camp.....	111,746

\$1,264,150

DETAILED CANADIAN-AMERICAN EXPENDITURES

	U.S. Expenditures (U.S. Dollars), April 24, 1944		Canadian Expenditures (Canadian Dollars)		
	Total	Of Permanent Value	Authorized to March 31, 1944	Expended to March 31, 1944	Balance to complete construction
NORTHEAST STAGING ROUTE:					
The Pas, Man.....	\$ 415,000	\$ 415,000	\$ 1,253,850	\$ 921,650	\$ 332,200
Churchill, Man.....	9,385,700	6,206,800	—	—	—
Southampton Island, N.W.T.....	7,043,200	5,318,870	—	—	—
Frobisher Bay, N.W.T....	8,065,700	6,833,190	—	—	—
Fort Chimo, Que.....	9,756,500	8,686,470	—	—	—
Mingan, Que.....	4,285,200	3,627,980	36,160	35,000	1,160
Goose Bay, Lab.....	543,000	543,000	9,950,680	6,559,756	3,390,924
	<u>\$39,494,300</u>	<u>\$31,631,310</u>	<u>\$11,240,690</u>	<u>\$ 7,516,406</u>	<u>\$ 3,724,284</u>
NORTHWEST STAGING ROUTE:					
Aishihik, Y.T.....	\$ —	\$ —	\$ 1,021,921	\$ 824,159	\$ 197,762
Beaton River, B.C.....	—	—	941,407	418,620	522,787
Calgary, Alta.....	28,517	28,517	512,178	392,448	119,730
Edmonton, Alta., air base.	5,248,822	2,836,835	3,634,759*	3,017,350	617,409
Namoa, Alta. (Edmonton satellite field)	6,853,683	6,264,495	200,000	144,053	55,947
Fort Nelson, B.C.....	6,186,892	5,477,354	1,070,822*	649,535	421,287
Fort St. John, B.C.....	4,415,441	3,974,683	1,297,132	1,297,132	—
Grande Prairie, Alta.....	1,968,015	1,719,956	1,255,110*	960,126	294,984
Kamloops, B.C.....	—	—	1,037,237	769,953	267,284
Lethbridge, Alta.....	—	—	142,274	41,427	100,847
Prince George, B.C.....	164,732	164,732	438,761	417,903	20,858
Regina, Sask.....	—	—	135,975	134,646	1,329
Smith River, B.C.....	—	—	1,018,398	813,130	205,268
Snag, Y.T.....	—	—	855,399	645,095	210,304
Teslin, Y.T.....	—	—	862,100	784,493	77,607
Watson Lake, Y.T.....	4,156,695	3,448,743	1,218,685*	1,035,374	183,311
Whitehorse, Y.T.....	8,297,429	7,395,881	2,717,795	2,189,627	528,168
	<u>\$37,320,226</u>	<u>\$31,311,196</u>	<u>\$18,359,953*</u>	<u>\$14,535,071</u>	<u>\$ 3,824,882</u>
FLIGHT STRIPS ALONG ALASKA HIGHWAY.....					
	<u>\$ 3,262,687</u>	<u>\$ 3,262,687</u>	<u>—</u>	<u>—</u>	<u>—</u>
MACKENZIE-ATHABASKA ROUTE.....					
	<u>\$ 1,264,150</u>	<u>\$ 1,264,150</u>	<u>—</u>	<u>—</u>	<u>—</u>
TELEPHONE LINE, EDMONTON TO ALASKA BOUNDARY....					
	<u>\$ 9,342,208</u>	<u>\$ 9,342,208</u>	<u>—</u>	<u>—</u>	<u>—</u>
GRAND TOTAL.....	<u>\$90,683,571</u>	<u>\$76,811,551</u>	<u>\$29,600,643*</u>	<u>\$22,051,477</u>	<u>\$ 7,549,166</u>

* Additional construction work undertaken by Canada in 1944 on the Northwest Staging Route at the request of the United States is estimated to cost \$5,161,000 in Canadian funds as follows:

Edmonton.....	\$1,250,000
Grande Prairie.....	1,500,000
Fort Nelson.....	1,803,000
Watson Lake.....	608,000
	<u>\$5,161,000</u>

Facts and Figures

ARMED FORCES

STRENGTH—769,000

(more than)

	Pre-war	Present
Navy	1,700	90,000 (85,000 men, 5,000 women)
Army	4,500	475,000 (460,000 men, 15,000 women)
Air Force	4,000	204,000 (190,000 men, 14,000 women)
Total	10,200	769,000 (735,000 men, 34,000 women)

CASUALTIES—51,038

ARMY TO JULY 31, 1944

Fatalities	9,501
Presumed dead	287
Missing	1,308
Prisoners of war or interned*	3,800
Wounded	18,343

TOTAL 33,239**

* The figure for prisoners of war includes 108 who have been repatriated or have escaped.

** The total at June 30, 1944, was 26,222.

AIR FORCE TO JULY 31, 1944

Dead and presumed dead..... 9,848

Missing, prisoners of war and interned	5,217
Seriously and dangerously wounded and injured	896
TOTAL	15,961

NAVY TO JULY 31, 1944

Killed on active service	1,000
Other deaths	184
TOTAL DEATHS	1,184
Wounded or injured	303
Prisoners of war	37
Missing	314
TOTAL CASUALTIES	1,838

Canadian Forces in Action



AT the beginning of August the allies had taken Normandy. By the end of August a second invasion force was pushing to the interior from landings along the south coast of France, and except for a few isolated spots almost the whole of central France was in allied or patriot control. The Canadians and British were plunging north across the Seine and Somme Rivers toward the rocket coast; United States forces had swept through Brittany and across France to points only five miles from the Belgian border and within 90 miles of Germany; and soldiers of all the allied armies were advancing at top speed through battle-

fields made famous in World War I. Paris was liberated. General de Gaulle had set up his provisional government. Except for one or two places the Germans were in full retreat.

For Canadians August was a particularly significant month. On August 7 it was made known that the First Canadian Army was in action—the first time in history that Canada has had a separate army group in the field. Commanded by Lieutenant-General H. D. G. Crerar, a former commander of the First Canadian Corps and a former chief of the Canadian General Staff, the Canadian Army has

fought on the allied left flank and has encountered the stiffest enemy resistance.

Canada's entire overseas army is now in action in Europe—First Army headquarters, two corps headquarters, five divisions and two armored brigades.

From the beginning of the fighting in Normandy, Canadian troops have been given some of the toughest and least spectacular assignments. Posted on the allied left flank, Canadians and British held a large part of Hitler's crack armored troops while the United States armies were racing across France. Successful accomplishment of their assignment helped insure the thrilling advance of the United States First and Third Armies.

Canadians have fought for every inch of ground gained and have engaged the cream of German warriors. General Eisenhower, allied supreme commander, said that British and Canadians have faced the strongest line of defences put up by the enemy. In the critical task of holding German troops in the Caen area—the hinge of the Nazi defence system south of the Seine—he said every foot was as important as 10 miles elsewhere.

The first battle action for the First Canadian Army was the drive from Caen to Falaise to smash German control of this area, join forces with United States units driving north from Le Mans to trap the Germans, and inflict a resounding defeat on the Nazi Seventh Army.

To crack the enemy a completely new strategy was devised and carried out under the direction of Lieutenant-General Guy Simonds, youthful commander of the Canadian Second Corps. The attack was prepared and rehearsed in only one week and in the battle area.

Fighting in open country where German 88-millimetre guns could smash at any force attacking by day, the Canadians launched their attack at night, and to do so three major technical difficulties had to be and were overcome.

For the first time in the war, heavy bombers were used in support of ground troops—and this by night and when the advancing allied forces were perilously close to German positions to be bombed. Colored incendiary shells were fired by the artillery on specified targets; pathfinder bombers showered markers on the spots to be bombed; the

Halifaxes and Lancasters swept in, unloaded bombs and opened the way for ground advances.

In order to pass infantry through enemy lines without stopping to engage in any major fighting, heavily armored vehicles were quickly converted and used as infantry carriers.

To keep tanks moving forward by night was the third technical problem. Tanks are usually used only by daylight. They were given their direction by the lavish use of Bofors, ack-ack and tracer shells fired horizontally over the heads of the advancing columns.

By the next day the Canadians were sufficiently consolidated to fight off the enemy's hastily organized counter-attacks. United States bombers gave their support by daylight. Before being brought to a halt, the allies had advanced into the hilly, wooded area surrounding Falaise.

After a pause of several days the final assault was made on the key town. Again using heavy bombers to support ground forces and a heavy artillery barrage, Canadian forces took Falaise and closed the German escape gap at Trun. Cap-

ture of the Caen-Falaise highway was the main factor in the resounding defeat inflicted on the German Seventh Army, and it opened the way for the allied drive on the Seine. Even last minute reinforcements from the 15th Army stationed in the rocket gun area failed to halt the allies.

By August 28 the Canadian Army had established five bridgeheads over the Seine. Making use of the fine help of the Maquis in cleaning up enemy positions in the rear, allied columns were speedily brought up for the new offensive. The work of Canadian engineers who bridged the Seine earned special praise.

Still facing the toughest enemy opposition, the Canadian Army at the end of the month was plunging ahead toward the Channel coast. Rouen was captured, and the Canadians had swept to within a few miles of Dieppe.

The drive to Falaise was the first time that the Canadian Second and Third Infantry Divisions and the Fourth Armored Division were in action together. The Canadian Second Division, famous for its attack on Dieppe in August, 1942, just two years before, and the British Division attached to the Canadian Army

were the prong of the attack. They gained control of both sides of the highway. The Fourth Division and a Polish armored division were then brought through. The Poles fanned out to the east, and the Fourth Division, in its first action, headed for the high ground around Potigny, about five miles northwest of Falaise.

When the second attack was made on Falaise, the Second Division swung west to Bretteville-sur-Laize and worked south along the Laize Valley; the Third, which had been in reserve, was moved up on the attack with the Fourth. The three divisions closed in on the town while the Polish division mopped up around Potigny. Actually it was the Second which entered first. Meanwhile the Fourth and the Polish units pushed on to Trun to seal the escape gap.

The First Canadian Army fighting in France is made up of the Second Canadian Corps, a British infantry division including the Seaforth Highlanders, a Polish armored division, the Princess Irene Brigade from the Netherlands and a force of Belgians. Many of the Netherlands and Belgian soldiers were trained in Canada. Army head-

quarters is completely Canadian. Fighting as part of the Second Corps are the Second, Third and Fourth Divisions.

In Italy the First Canadian Corps, commanded by Lieutenant-General E. L. M. (Tommy) Burns, is made up of the First and Fifth Divisions and the First Armored Brigade. This corps is fighting as part of the British Eighth Army.

The First Division went overseas in December, 1939, and was followed by the Second, Third, Fifth and Fourth. The Fourth began as infantry, but was reorganized into an armored division and was the last to leave Canada.

The original plan of Canadian military leaders was to have an all-Canadian army unit. When the opportunity arose to send Canadians temporarily inactive in the United Kingdom to the Mediterranean to gain battle experience, these plans were changed. The First Division went into action in Sicily in July, 1943. In January, 1944, the Fifth joined it in Italy, and the First Canadian Corps headquarters was moved to Italy.

Amalgamation of British, United States and Canadian para-

troopers, airborne infantry and combat crews of the troop carrier command have been welded into a separate allied army group under Lieutenant-General Lewis H. Brereton, who has been commander of the United States Ninth Air Force based in the United Kingdom. The Canadian parachute battalion which took part in the invasion of Normandy is part of this new army.

Arrival of other Canadian units now seeing action in France has been announced. A group of Canadian lumberjacks of the Canadian Forestry Corps landed in France early in the month.

Details of numerous secret weapons are gradually being made public. One of the most important used by the allies in the battle of France is the 41-ton Churchill "Crocodile," a tank-mounted flamethrower that has been used by Canadian and British forces since D-day. The Crocodile can hurl its lethal flame a distance of 450 feet and even around corners. The allies are also using a self-propelled 25-pounder gun which is mounted on a waterproofed tank chassis; a flail tank which detonates mines as it goes; rocket craft; and a 17-pounder gun that fires

a shell which is deadly for any mobile armor in the field.

One of the techniques developed by Canadian Army engineers has now been adopted by the Ninth United States Air Force. This is the "Hessian" process of building air strips in airfields under rapid construction that are to be used as permanent landing bases. This technique consists of laying strips of little more than two tough layers of building paper which are unrolled onto the surface by a machine which packs them down. The paper has no inherent strength, but serves merely to protect the hard-packed earth from the weather. This method is now preferred by United States engineers to either the United States method of laying interlocking steel plates or the use of strips of steel wire mesh, the process devised by the British.

Preparing the way for the invasion of the south coast of France, a Special Service Force took the Isle de Levant and Portcros off Cap Negre. This force is a combined Canadian-United States group of super-commandos, specialists in amphibious, mountain, snow and air-borne warfare as well as infantry fighting.

Its first camp opened in July, 1942, at Helena, Montana, where training was given for winter warfare. Parachute training was taken at Fort Benning, Georgia, and mountain and amphibious training at Fort Ethan Allen, Vermont.

A special service group first saw action at Kiska in the Aleutians, when, on August 15, 1943, it struck to prepare the way for invasion of the island. Exactly one year later a Special Service Force attacked southern France.

During its first year of active service a Special Service Force was used in Italy in the battle for Cassino and on the Anzio beachhead. For more than three months its raiders sallied forth by night and terrorized the Germans. It was this combined Canadian-United States force which spearheaded the attack on Rome and was the first unit to break into the city.

During a comparatively quiet month in Italy, Canadians took part in the last stages of the advance on Florence.

Navy.—Main duties of the Royal Canadian Navy still consist of chasing E and R-boats, hunting submarines and doing convoy duty. R.C.N. warships

took part in the bombardment preceding the second French invasion. Once again the two big infantry landing ships were used—H.M.C.S. *Prince Henry* and H.M.C.S. *Prince David*.

Early in the month H.M.C.S. *Haida* and *Iroquois* took part in an action that resulted in the sinking of an entire seven-ship convoy carrying troops attempting to escape from St. Nazaire.

A destroyer force led by H.M.C.S. *Qu'Appelle* and including the *Assiniboine*, *Skeena* and *Restigouche* sank four enemy armed trawlers and a supply ship. This was the second Channel action for the *Qu'Appelle* and the first for the others. All ships are veterans of convoy service.

Later in the month H.M.C.S. *Iroquois* was engaged in two actions against enemy shipping between Brest and Lorient. In both, the two Royal Navy ships, H.M.S. *Mauritius* and *Ursa* also took part. The first action was an attack made on a German convoy which forced the ships within the range of coastal batteries. A few days later another group of enemy ships was met, and a total of two minesweepers, three supply ships and three escort vessels sunk. This increases the score chalked up by

operations in which the *Iroquois* has participated to 20 ships sunk and three damaged.

During the month sinking of the corvette, H.M.C.S. *Regina*, was announced, with two men killed and 27 missing. There were 60 survivors. The sinking occurred when the corvette was aiding a disabled freighter in invasion waters. After a tremendous explosion, the ship sank in 28 seconds. Since D-day the *Regina* had been actively engaged in escorting convoys which were carrying supplies and munitions to the allies in France.

The Canadian hospital ship, H.M.C.S. *Lady Nelson*, docked at Halifax during the month with 600 men, many of whom were veterans from France.

Air Force.—During August the Royal Canadian Air Force supplied close support for ground troops in France by raking with machine-gun fire retreating Nazi forces and dive-bombing supply lines, ammunition dumps and strongly fortified enemy posts. At the same time its heavy bombers had blasted targets in Germany and along the robot bomb coast, while R.C.A.F. fighter wings swept the skies in search of the Luftwaffe.

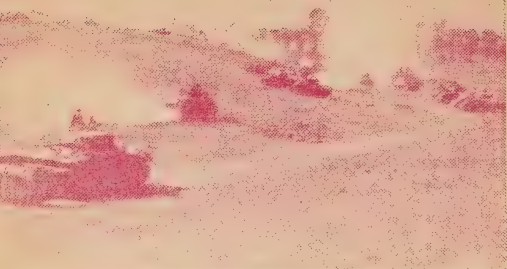
Canadians took part in the heavy bomber attacks that were made in conjunction with the Canadian Army's attacks on Falaise. While ground forces were squeezing the Nazis in the Falaise-Argentan pocket, squadron after squadron showered bombs on transport columns, tanks and troops attempting to escape through the narrow gap. On one day more than 400 motorized vehicles were destroyed.

In an engagement north of Paris, R.C.A.F. Spitfires wiped out 12 of the 80 Nazi aircraft encountered. R.C.A.F. Beaufighters assisted in severely damaging several enemy armed trawlers near Bordeaux later in the month. In one of their longest flights, Canadian Halifaxes and Lancasters bombed Konigsberg and Stettin on the Baltic.

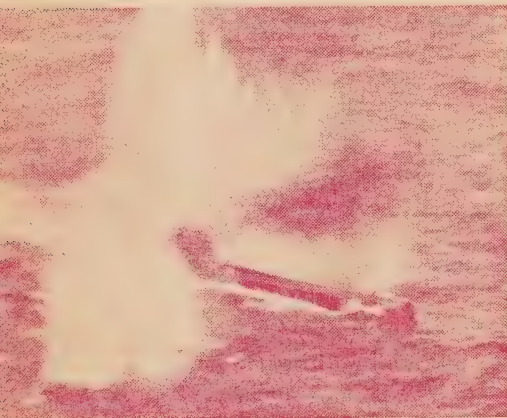
Canadian fighter and bomber air crews were also active in the invasion of southern France. The first British aircraft over the new bridgehead was commanded by a Canadian in the R.A.F.

At the end of the month it was announced that the nighthawk squadron was the first R.C.A.F. night fighter unit to cross to the continent, where it had taken over and was operating from a Norman airfield.

WAR DIARY



Canadian armor goes to Falaise-Argentan gap.



R.C.A.F. bags sixth German U-boat off Iceland.



Aug. 1. United States forces thrust into Brittany. 19 Canadians shot by S.S. panzer division. Finnish government re-organized under Mannerheim. Red Army captures Kaunas, Lithuania. Turkey breaks diplomatic relations with Germany. Capture of Tinian completed.

Aug. 2. United States forces half way across Brittany and into Breton peninsula. British troops take Estré, 14 miles south of Caumont. Churchill announces 4,500 tons of bombs launched since June 15 as against 48,000 tons of bombs on Germany in the same time.

Aug. 3. Canadians in action south of Caen. U.S. forces take Rennes. R.C.A.F. in biggest daylight assault of war.

Aug. 4. United States troops 60 miles past Rennes. Hitler orders "ruthless purge" of German army. British Eighth Army pushes into Florence. Fall of Japanese supply centre of Myitkyina in northern Burma.

Aug. 5. French-speaking Canadians enter May-sur-Orne. Allied casualties in Normandy from June 6 to July 20, 116,148. Canadian casualties total 6,545.

Aug. 6. H.M.C.S. *Haida* and *Iroquois* take part in sinking Nazi seven-ship convoy off St. Nazaire. Announced that in two-day raid off Bonin Islands, Chichi Island (600 miles from Tokyo) was shelled and United States forces sank 11 ships, hit 30, leaving six of these in flames.

Aug. 7. First Canadian Army announced operating in France. Canadian Army launches offensive past Caen. United States forces break heaviest German counter-attack since D-day.

Aug. 8. Canadian drive pushes forward five miles to Cintheaux along road to Falaise. Chinese lose Hengyang. Announced only 5,000 Japanese left in India. total of 42,000 killed in fighting there. Eight German generals hanged.

R.C.N. Beach Commandos
direct Norman landings.

FOR AUGUST

Aug. 9. Announced that General Eisenhower's headquarters now in France. United States troops pass Le Mans. Announced 500 Nazi U-boats sunk since beginning of war, 17 in Channel operations since invasion.

Aug. 10. British forces of Canadian Army enter Vimont. Canadians fighting at Florence. Superfortress raid on Nagasaki, Japan (shipbuilding centre) and Palembang, Sumatra (oil centre). End of organized Japanese resistance on Guam.

Aug. 11. Announced Lieutenant-General Guy Simonds leads Second Canadian Corps in Normandy. Polish armored division announced to be with Canadian Army. Churchill arrives in Italy. Russians advance 15 miles in Estonia.

Aug. 12. Canadian warships with British and Polish ships sink or damage six German supply ships and trawlers off French coast.

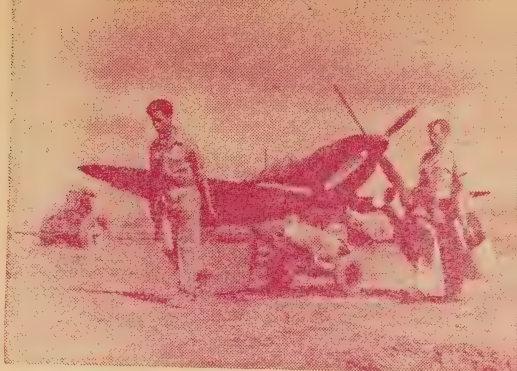
Aug. 13. Canadians advance nearly five miles along Laize River towards Falaise. United States forces take Argentan. British take Empoli on Arno. Burmese and Chinese troops have advanced 20 miles south of Myitkyina.

Aug. 14. Lieutenant-General Bradley announced commander of Twelfth Army group—all United States forces in France. Capture of Frontone by British.

Aug. 15. Invasion of French south coast between Marseille and Nice made by United States and French troops. 3,000 allied planes drop 8,000 tons in Belgium and France. Canadians one mile from Falaise.

Aug. 16. Canadians enter Falaise. United States forces free Chartres. South invasion troops push inland eight miles. Announced R.C.A.F. plane on weather patrol from Iceland sinks U-boat. Red Army seven miles from Warsaw. United States bombers raid Davau in Philippines.

Nazis drop flares over
Canadian lines in France.



More bombs for hungry Spitfires of the R.C.A.F.



Bulldozers batter through rubble in ruined Falaise.





Battery of 5.5 guns support Falaise-bound infantry.



R.C.N. sailors in Naples visit Maple Leaf Club.



WAR DIARY

Aug. 17. Fall of Falaise and Troarn. United States forces take Orleans. Announced Canadian corvette, H.M.C.S. *Regina* sunk. Russians at East Prussia frontier. India cleared of last Japs.

Aug. 18. Announced German 15th Army thrown in to help Seventh. St. Malo surrenders after 11 days of siege. Seine reached 25 miles below Paris. *Lady Nelson* docks with 600 Canadian wounded. Netherlands and Belgian forces announced to be with Canadian Army.

Aug. 19. Polish units of Eighth Army advance three miles along Adriatic.

Aug. 20. Allies reach Seine on both sides of Paris. British in Cabourg. U.S. forces fighting in vicinity of Versailles and Fontainebleau. Two superfortress attacks in Yawata-Kyushu area of Japan.

Aug. 21. French troops of United States Seventh Army enter Toulon. Announced United States submarines sink 19 ships recently. General Montgomery says end of war in sight.

Aug. 22. British forces of Canadian Army take Lisieux. Nazi seizure of Petain and Laval reported. Russians advancing in drive on Roumania capture Iasi. Occupation of Florence completed. Air and naval attack on Bordeaux area.

Aug. 23. Paris reported liberated from within by patriots and civilians. Fall of Marseille and Grenoble. Roumania accepts allied peace terms. H.M.C.S. *Iroquois* helps destroy eight German ships. Churchill and Greek premier confer.

Aug. 24. Fighting in Paris continues, French and U.S. columns arrive. Fall of Chisinau, capital of Moldavia. Carrier-borne aircraft bomb Padang, Sumatra.

Aug. 25. Liberation of Paris completed. British with Canadian Army enter Honfleur. U.S. forces in Troyes. Allies capture Cannes and Antibes on French south coast. New Roumanian government declares war on Germany. Red Army at Galati Gap. Fall of Tartu, Estonia.

25-pounder in action
amid debris of Italian farm.

FOR AUGUST

Aug. 26. French fascists attempt to shoot General de Gaulle in Paris. Nazis bomb Paris. Fourth Canadian Division announced fighting in France.

Aug. 27. All Canadian Army units announced now in action in Europe. British and Canadians throw four bridge-heads over Seine. United States forces reach Marne River. Russians through Galati Gap.

Aug. 28. United States spearhead at Chateau-Thierry. Surrender of last Nazis in Marseille. Northern Italian provinces reported being evacuated by Germans. Russians cross Carpathians and plunge 10 miles into Transylvania. Danube delta taken.

Aug. 29. United States forces take Chateau-Thierry and Soissons, allies fighting 100 miles north of Marseille. French troops west of Avignon. Russia takes Constanta, Roumanian Black Sea port. Nazis withdraw from Buzau, 40 miles from Ploesti. New Hungarian militaristic cabinet formed. Poles three miles from Gothic Line.

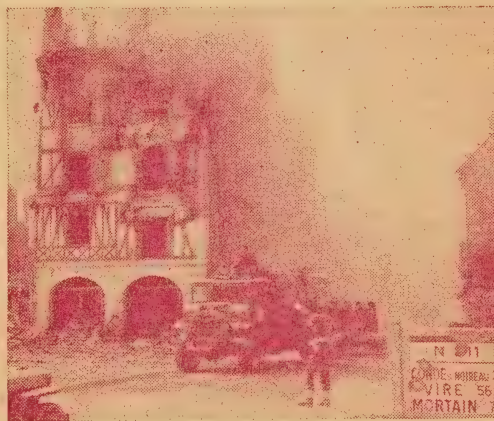
Aug. 30. Canadians take Rouen and advance five miles northeast. United States forces cross Aisne River, take Rheims, enter St. Dizier. Red Army takes Ploesti and entire oilfield area. Czech patriots and Slovak partisans join in Slovakia against Germans. German armored force from Italy ousts United States troops at Briancon.

Aug. 31. Canadians advance to within 17 miles of Dieppe. British Second Army crosses Somme and takes Amiens. United States forces within five miles of Belgian border and 90 miles of Germany. Fall of Bucharest. Capture of Nice. Poles take Pesaro and advance to a mile from Gothic Line.

R.C.A.F. education officer examines Indian school.



Rugged coasts characterize south France invasion.



Canadian Provost Corps guide convoys in Falaise.



Legislation—1944



LEGISLATION enacted during the session of Parliament which adjourned on August 15, 1944, aimed primarily at solving the problems of reconstruction and rehabilitation in the post-war period. Virtually all important measures dealt in one way or another with some aspect of these problems. Acts were passed which sought to provide increased employment opportunities in the period after the war; to help business, industry,

fishing and agriculture in the shift from a wartime to a peacetime economy; to provide additional measures of social welfare and improve the administration of those already on the statute books; to broaden the veterans' rehabilitation and re-establishment program; and finally to give an indication of Canada's willingness to make certain international commitments as a member of the United Nations.

Post-War Employment

Several measures passed were aimed at making available to Canadians increased employment opportunities in the post-war period and improved stand-

ards of living. Most of these were financial in character and sought to make it easier for the individual Canadian to borrow at reasonable rates the money

he may need to develop new industrial enterprises, to effect repairs to his home, to build a new home or to purchase new equipment for his farm. Another measure was designed to help employment through developing Canadian exports by enabling the individual exporter to insure himself with the government against loss and, during the transition period, by providing foreign governments with Canadian credit to purchase Canadian supplies. An opportunity for individual enterprise to have a part in the opening up of new Canadian air routes was provided by an act removing Canadian airways from the control of the railways.

Aeronautics Act Amendment, July 17.—To ensure government supervision and the orderly development of Canadian air transportation and to provide opportunities for individual enterprise in this field, several amendments were made to the Aeronautics Act of 1927. An Air Transport Board is to be set up consisting of three members appointed by the governor-in-council for a period of 10 years. They are empowered to make investigations and surveys re-

lating to the operation of commercial air services in Canada, to make recommendations to the minister responsible on matters connected with the development of Canadian civil aviation and to perform the functions of a licensing and regulatory body in respect of commercial air services. The board is prohibited from issuing a license to any person who is already engaged in some other form of transportation except at the direction of the governor-in-council. In cases where licenses have already been issued to those so engaged, their licenses become invalid one year after the end of war in Europe.

Export Credits Insurance Act, August 2.—This act is divided into two parts. Part I sets up an Export Credits Insurance Corporation with a capital of \$5,000,000 and a credit surplus of \$5,000,000, but additional money may be raised through the sale of bonds and debentures. The corporation is to be managed by a seven-man board, including the deputy minister of trade and commerce, the deputy minister of finance, the governor of the Bank of Canada and four other members appointed by the governor-in-council.

The purpose of this corporation is to enable Canadian exporters to insure themselves against the risk of loss involved in the export of Canadian-produced goods. Liability of the corporation is limited to 10 times the amount of capital and surplus.

Part II provides assistance to foreign governments by guaranteeing that, in case of default, the Canadian government will pay the obligations of a foreign government on a contract entered into by a foreign government and an exporter for the export of Canadian-produced goods, by making loans to a foreign government to enable it to buy Canadian-produced goods; and by purchasing or guaranteeing the securities of a foreign government issued to pay for goods purchased in Canada. This section is to remain in force for three years.

The aggregate amount of the guarantee is limited to \$200,000,000, and the amount of loans or securities purchased to \$100,000,000.

Bank Act and Farm Improvement Loans Act, August 9.—These two acts are complementary. The Bank Act extended the charters of Canadian

banks for another 10 years and at the same time made it easier for persons to obtain bank loans by reducing the interest rate on such loans from 7% to 6% and by providing for intermediate and short term credits to farmers. It also advanced the curtailment already commenced of the right of chartered banks to issue notes and the placing of this right in the hands of the Bank of Canada.

The purpose of the Farm Improvement Loans Act was to implement the amendment to the Bank Act respecting the provision of intermediate and short term credit to farmers. By this act loans at a maximum interest rate of 5% may be made by the banks to enable farmers to improve their farms and farm homes. The amount any individual may borrow under the terms of the act is limited to \$3,000. Ten per cent of all bank loans up to a total of \$250,000,000 during any three-year period are to be guaranteed by the government. Loans are repayable in full within a 10-year period.

National Housing Act, August 10.—The aim of this act is to improve housing conditions in Canada through gov-

ernment loans at low interest rates and to stimulate the expansion of employment in the period after the war. Under this act \$275,000,000 is made available by the government to be lent at a low rate of interest for the building and repair of houses, the development of low cost housing and slum clearance. This sum is divided as follows: \$100,000,000 for houses for home owners, \$50,000,000 for houses for rent, \$100,000,000 for repair and modernization of existing houses, \$20,000,000 for slum clearance, and \$5,000,000 for rural housing repairs.

Loans made jointly by approved lending institutions (including banks and insurance companies) and the government, are to be repaid in monthly installments over a 20-year period, including interest payments at a maximum of $4\frac{1}{2}\%$ and the taxes on the property. Twenty-five per cent of the joint loan is to be advanced by the government, and losses are to be shared between the government and the lending institutions on an agreed ratio.

Loans are to be on a basis of not less than 50% of the lending

value of a house to be built and not more than 95% of the first \$2,000 of lending value, plus 85% of the next \$2,000, plus 70% of the remainder. In the case of a house of \$4,000 lending value a loan of \$3,600 could be obtained, and the down payment would be \$400. Repayment over the usual 20-year period would be \$22.61 a month plus taxes.

Industrial Development Bank Act, August 11.—Under this act the government will set up an Industrial Development Bank as a subsidiary of the Bank of Canada to help Canadians obtain capital to develop industrial enterprises. This bank is to extend loans to economically sound enterprises which cannot arrange the necessary financing with chartered banks on the investment market. It is to fill the gap between the short term bank loans and the investment market, which is limited to large-scale enterprises.

This bank is to have a capital of \$25,000,000 subscribed by the Bank of Canada, \$10,000,000 of which is to be paid up before the act comes into force. It can borrow through the sale of bonds and debentures up to three times its paid up capital.

Reconstruction and Reconversion

Under this heading is grouped legislation which pertains especially to the problem of reconstruction and reconversion in the period immediately after the cessation of hostilities. The purpose of these measures is to prepare plans for meeting the problems involved in putting the Canadian economy on a peacetime footing once more and to provide specific aid to business, industry, agriculture and fishing during this transition period.

Surplus Crown Assets Act, June 19.—This act sets up a War Assets Corporation to dispose of surplus government assets. It is empowered to deal with all surplus materials and may sell, exchange, lease, lend or dispose of them in any manner that it sees fit. In addition a Crown Assets allocation committee is to be established to advise the minister of munitions and supply on questions relating to surplus crown assets referred to it by him and by other government departments or other public bodies.

Department of Reconstruction, June 26.—The Department of Reconstruction is to act

as a central planning agency for the government in the field of reconstruction. It will deal with the internal economic problems involved in the re-employment of ex-service personnel and war workers, and the reconversion of industry from making war supplies to manufacturing peacetime goods. It will prepare plans, co-ordinate the plans of the separate departments within a general plan and make provisions for putting these plans into effect.

Agricultural Prices Support Act, July 31.—The aim of this act is to establish a floor price for all agricultural products during the transition from war to peace. A three-man board is to be set up under the direction of the minister of agriculture with authority to buy agricultural products or to make payments in respect of agricultural products to bring average prices received by the farmers up to a level approved by the board. Wheat, which is handled through the Canadian Wheat Board, is excluded from the board's jurisdiction. The board would have the power to handle and dispose of the products purchased. A

fund of \$200,000,000 is provided to meet the expenses involved.

Fisheries Prices Support Act, August 3.—Like the act putting a floor price under agricultural products, this act seeks to stabilize prices of fisheries products during the transition from war to peace by placing a floor under them. A board of not more than five members is provided for with powers similar to the Agricultural Prices Support Board in connection with the buying, selling and handling of fisheries products. To meet the expenses involved, \$25,000,000 is provided.

Excess Profits Tax Act Amendments, August 7; Income War Tax Act Amendments, August 9.—Several amendments were made to both the Excess Profits Tax Act and the Income War Tax Act with the aim of facilitating business expansion after the war. The establishment of new enterprises is encouraged by a reduction in

the 100% excess profits tax rate on profits of new businesses for the first fiscal year.

Several changes were made in the taxation structure in order to encourage the development of existing business enterprises. New investments in depreciable assets may be deducted at rates varying from a maximum of double the present ordinary rates to a minimum of half the ordinary rates. Deductions for scientific research are allowed. Losses may be charged back to profits of one year or forward to profits of three years. Half the cost of maintenance and repairs incurred in a given period may be charged back to any fiscal period commencing with those ending in 1943. To aid business firms in their reconversion plans the refundable part of the excess profits tax may be used as security to obtain funds for capital expenditures necessitated by these reconversion plans in cases sanctioned by the government.

Social Welfare

Only two acts passed during the session dealt with social security as such, although the

National Housing Act and the legislation looking toward increased employment opportuni-

ties for Canadians were also in part social welfare measures. Of the two social security acts, one provided for a special department to be set up responsible for the administration of social welfare measures; the other introduced a system of family allowances to provide equality of opportunity and a minimum standard of living to all children.

Department of National Health and Welfare, July 14.

—This department is to serve as a centre for planning and research in the fields of health, welfare and social security. It will take over those branches of the present Department of Pensions and National Health which relate particularly to health. Welfare measures which are now administered by various other government departments, including old age and blind pensions and the statute concerning physical fitness, are to be transferred

to this new department. When family allowances come into effect they will be administered by this department as well.

Family Allowances Act, August 1.—This act, designed to distribute the burden of child maintenance among the people of Canada, provides for graduated monthly payments beginning July 1, 1945, to be made to the parents of all children under the age of 16. The monthly payments will be at the rates:

\$5 for children under six years of age.

\$6 for children six to 10 years.

\$7 for children 10 to 13 years.

\$8 for children 13 to 16 years.

The rate is to be reduced \$1 a month for the fifth child, \$2 for the sixth and seventh and \$3 for the eighth and all additional children. Deductions allowed for dependent children in the Income War Tax Act are to be adjusted to prevent duplication of benefits between that act and the Family Allowances Act.

Veterans' Affairs

Several acts were passed which extended considerably the scope of the veterans' rehabilitation and re-establishment program. A new department to administer veterans' affairs is to be set up.

A War Gratuities Act was passed to give all veterans a cash grant based on length of service and a re-establishment credit equal to this grant. Life insurance at reasonable rates and without

medical examination is also now available.

While not connected with the veterans' re-establishment program, the act passed by Parliament defining conditions for voting in federal elections by members of the armed services is also included in this section.

Soldiers' Vote Act, June 13.—The purpose of this measure is to lay down regulations enabling all members of the armed services and those members of the merchant marine and the auxiliary services over 21 years of age to vote in any federal election held during the war and six months after. All war service electors except prisoners of war and internees are to vote directly. Next of kin of prisoners of war and internees are to cast proxy votes on presentation of special proxy certificates to be issued by the chief electoral officer. Votes of armed service personnel are to be included in the totals of the districts in which they resided prior to enlistment. To permit sufficient time for fulfilling the provisions of this act, 28 days instead of the usual seven must elapse between official nominations and polling day.

Department of Veterans' Affairs, June 20.—This act sets up a new department to handle veterans' affairs and to take over in this connection the work formerly performed by the Department of Pensions and National Health. The new department will administer pensions, war veterans' allowances, the rehabilitation program, the Veterans' Land Act and all other measures concerned exclusively with the welfare of the men and women who have served in the armed services and their dependents.

Veterans' Insurance Act, July 31.—The Veterans' Insurance Act is part of the government's rehabilitation program for veterans. It provides life insurance up to \$10,000 to all veterans, including personnel called up under the National Resources Mobilization Act, without the necessity of medical examinations and at a very reasonable cost. Veterans may take advantage of its provisions any time within a period of three years after their discharge or the institution of this act, whichever is the later. Premiums are payable for 10, 15 or 20 years, to age 65 or for life, and may be

waived after age 60 if the insured is totally disabled and non-pensionable. Interest of 3½% will be paid to policy holders on premiums. Benefits may be taken in the form of an annuity for life or for certain definite periods as well as in cash.

War Service Grants Act, August 11.—This measure does two things—first it gives a cash gratuity to every member of the armed services who volunteered for overseas service and those N.R.M.A. personnel who served in the Aleutian Islands campaign and, secondly, it provides a rehabilitation credit to fill in the gaps in the re-establishment program.

The war service gratuity is based on length of service in the Western Hemisphere and overseas. For each 30 days of service in the Western Hemisphere a member of the armed services will receive \$7.50, and for each 30 days of service overseas \$15. In addition, for each six months of service overseas a member of the forces will receive seven days pay and allowances, including dependents' allowance. Royal Canadian Air Force personnel stationed in North America but

flying outside North American territorial waters will be paid at the overseas rate. On discharge all members of the armed services are also entitled to a rehabilitation grant of one month's pay and allowances, and a clothing allowance of \$100.

The war service gratuity is payable at a rate not to exceed one month's pay and allowances commencing one month after discharge, beginning January 1, 1945. If a member of the forces dies before he or she has received the full war service gratuity, payment of the balance will be made to the person to whom dependents' allowance or assigned pay was going at the time of death.

Under the terms of this act a private, married with two children, who has one year's service in Canada and three years' service overseas would receive:

War service gratuity....	\$ 630.00
Overseas pay.....	\$ 203.85
Rehabilitation grant....	\$ 108.12
Clothing allowance....	\$ 100.00

Total.....\$1,041.97

In addition he could get a re-establishment credit equal to his gratuity if he wanted to use it.

This re-establishment credit is equal to the amount of the

cash gratuity. It is available to those members of the armed forces who do not elect to take the benefits provided by the Veterans' Land Act or under the educational, vocational or technical training schemes. It will be given in a lump sum any time within 10 years of the act coming into force or the time of discharge, whichever is the later, but only for certain purposes. These are: To finance the purchase of a home by providing up to two-thirds of the cash payment required; the repair and modernization of a house; two-

thirds the cost of furniture and household equipment; working capital for a business or profession; the purchase of tools, instruments or equipment for a trade, profession or business; the payment of insurance premiums under a government established insurance scheme; the purchase of special equipment for educational or vocational training; or any other purpose authorized by the governor-in-council. The aim of this measure is to assist veterans to re-establish themselves by providing them with a small working capital.

International Reconstruction

Both acts under this section were financial and were passed to give effect to agreements reached on the problem of reconstruction among the United Nations.

United Nations Relief and Rehabilitation Administration Act, April 21.—This act gives the government power to fulfill the terms of the UNRRA agreement reached at Washington on November 9, 1943. It also provides \$10,000,000 under the United Nations Mutual Aid Act, 1943, to meet interim expenses incurred in fulfilling the

agreement. Annual reports to Parliament on its operation are provided for.

United Nations Mutual Aid Act, June 13.—This is similar to the Mutual Aid Act passed in 1943. The sum of \$800,000,000 is provided out of the consolidated revenue fund to meet expenditures involved in carrying out its provisions. For its administration a Canadian Mutual Aid Board has been established. The scope of the 1943 act was extended to include the provision of supplies required by UNRRA.

Women

Navy.—On August 29, 1944, the Women's Royal Canadian Naval Service celebrated its second anniversary. Today more than 5,000 trained and efficient women are carrying on in jobs which share the responsibilities of the men in the Canadian navy. At naval establishments throughout Canada, in Washington and New York, Newfoundland and the United Kingdom, the Wren has proven her place.

Recently Wren librarians arrived in Londonderry, Northern Ireland, to set up a Canadian reading service for members of the R.C.N. overseas. They will be responsible for provision of reading material, assistance with educational courses and the establishment of a reading room.

Two categories of Wren recruits are in short supply—messwomen and motor transport



drivers. The former are needed for work in cafeterias on large coastal bases which feed up to 1,800 sailors. Motor transport drivers take over the handling of staff cars, trucks and buses.

Wren writers are accompanying inspection parties on ships' trials at Cana-

dian inland ports, to take notes, check supply lists and attend conferences between ship builders and naval officers before the ships are turned over officially to the navy. Other Wrens at an eastern naval base go to work daily on board ship as secretaries.

Army.—With a present enlistment of more than 18,400 the Canadian Women's Army Corps is the largest of the three women's services in Canada. On August 13, 1944, this service celebrated its third anniversary

ARMED FORCES

Enlistments to
September, 1944

Women's Royal Canadian Naval Service.....	more than 5,500
Canadian Women's Army Corps....	" " 18,400
Royal Canadian Air Force (Women's Division).....	" " 16,800
Nursing services.....	3,704
Women doctors in armed services..	54
Total.....	more than 44,458

with members in France, in Italy, in the United Kingdom, in the United States and throughout Canada.

In France the vanguard assigned to duty further afield was a contingent of singers and dancers in the Canadian Army Show. Shortly after, other volunteers were posted as stenographers and clerks. C.W.A.C. personnel in Italy are serving in the rear of active theatres of war.

The training program has been broadened to permit members to attend a qualifying course for quartermasters and quartermaster sergeants at the Canadian Army Service Corps training centre at Camp Borden, Ontario. To be eligible, personnel must hold the rank of corporal at least and be presently employed in quartermaster stores or be considered suitable for such employment.

C.W.A.C. educational officers are to be appointed in military districts and commands throughout Canada. Discussions of post-war problems are becoming more popular. Unit education officers have explained government rehabilitation plans at company meetings, and C.W.A.C. members are encouraged to discuss their personal plans for future demobilization.

Air Force.—Entering on its fourth year, the Royal Canadian Air Force (Women's Division) now has an enlistment of more than 16,800.

In the United Kingdom "W.D." members have been serving since the first draft went overseas in the summer of 1942. Now they fill important posts on stations where both Canadian and British airmen work. One messing officer is in charge of all food served on R.C.A.F. stations

of the Canadian bomber group. Another officer is personal staff officer to Air Marshal L. S. Breadner, air officer commanding-in-chief, R.C.A.F. overseas.

Airwomen have learned to drive right-hand vehicles down left sides of English roads; plot courses for R.C.A.F. fighter aircraft over Germany; type during air raids and robomb raids; and do, in short, a large number of jobs necessary to maintain the R.C.A.F. at fighting efficiency.

Medical Services.—By September, 1944, there were 3,704 women in the nursing services of the armed forces. In the Royal Canadian Navy nursing service were 269, including 71 serving overseas; in the Royal Canadian Army Medical Corps, 3,038 of whom 2,067 are serving overseas; and in the Royal Canadian Air Force, 397, of whom 44 are serving overseas. There are 54 women doctors in the armed forces—six in the navy, 37 in the army, and 11 in the air force.

Women's Voluntary Services.—The Canadian Women's Voluntary Services organization is but part of a world-wide "community." W.V.S. is organized in Iraq, Palestine, the United

States, United Kingdom, India, Portugal and West Africa.

In Canada the need for more women volunteer workers is still urgent. Hundreds of proven projects are being supplemented weekly by new demands caused by changing war needs.

Armed forces canteen and comfort work still has high priority. Child care continues to occupy an important place, and thousands of children this summer were given vacations in organized camps and playgrounds.

One centre is starting a sewing project where clothes will be remade into garments for the children of Europe. Another has volunteered for Red Cross jam-making.

War Emergency Training.—By August, 1944, 51,138 women had enrolled in the war emergency program of the Department of Labour. There were 201 in full-time industrial classes and 27 in part-time classes. In plant schools 529 women were taking full-time classes. This made a total of 757 enrolled in 91 plant and industrial schools by August. Of a total 322 students newly enrolled during July in full-time industrial classes 46% were women.

WARTIME INFORMATION

In addition to CANADA AT WAR, certain other various aspects of Canada's war effort is available.

It may be obtained by writing to the

a. Such material includes:

Reference Papers (issued irregularly)—Recent

The Royal Canadian Navy.

Canada (its geography, population, history, con.

Canadian Prisoners of War.

Canadian Food and Agriculture in the War.

Canadian War Service Voting Regulations.

Canadian Schools and Universities in Wartime.

R.C.A.F. Personnel Counselling Program.

Charts and Figures Weekly—a summary of Canadian events regarded as important.

Mail Bulletin—a daily summary of developments in Canadian public prepared for distribution among Canadian offices abroad. It is available to Canadian business houses desiring to forward it to their overseas representatives.

Postwar Planning Information (issued fortnightly)—a continuing survey of post-war planning in Canada.

Consumer Facts—a monthly bulletin of background information designed especially for teachers of home economics, writers, broadcasters and group teachers. It summarizes government orders affecting consumers.

Home Front Bulletin—a weekly bulletin containing current information of interest to women. It is designed for display purposes in schools, libraries, club-rooms, etc.

Canadian Affairs—a bi-monthly educational service for the armed forces in Canada and overseas, with a limited civilian distribution. Among home edition articles available are:

Future for Fighters.

The New North.

Canada as a Pacific Power.

Canada—World Trader.

Canada and the Post-War World.

People on the Land.

Canada's Constitution.

A Film Policy for Canada.

Canada and the U.S.S.R.

Wealth in Wood.

The Prairie Provinces.

Power for Prosperity.

Ontario.

Canada and UNRRA.

Canadian Affairs Pictorial—a monthly pictorial sheet (24 by 36 inches) supplementary to CANADIAN AFFAIRS, with a limited civilian distribution. Pictorials available include:

Canada—World Trader.

Controls for Victory.

The New North.

Wealth in Wood.

Western Canada.

Ontario.

Graphic Sheet Series—in which various problems are dealt with for the benefit of industrial workers and trade union members; for use as enclosures, pay envelope stuffers, pin-up sheets, etc. Among issues available are those on:

Income Tax.

Unemployment Insurance.

Industrial Health.

Inflation.

Labour-Management Committees.

V.D. in Industry.

Wallnews—a monthly two-color wall news-sheet (24 by 36 inches) containing news of the war and production fronts, photographs, charts, war maps, cartoons, etc., with a poster on the reverse side. It is available in quantity for posting in industrial establishments, labour centres, etc.

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